

Standard Questions for Applicants Seeking Local Exchange Service Authority

1. Is your company seeking any waivers or variances of certain Commission rules and regulations in this proceeding that pertain to local exchange service? Please provide evidence as to why your company is seeking any waiver or variance.

As stated in question 3 of the Application, Applicant seeks a waiver of Part 710, Uniform System of Accounts for Telecommunications Carriers. Applicant provides only competitive services and is classified by the FCC and other state commissions as a non-dominant carrier. Applicant's keeps its books according to GAAP standards.

Applicant also seeks a waiver of Section 735.180, Directories. Applicant will contract with the local exchange carrier to provide telephone directory services to Applicant's customers.

2. Will your company comply with 83 Illinois Administrative Code Part 772, Pay-Per-Call Services, including Part 772.55(a)(1), Billing and Part 772.100(d) Notices?

Yes.

3. Will your company comply with 83 Illinois Administrative Code Part 705, Preservation of Records of Telephone Utilities?

Yes.

4. Will your company abide by 83 Illinois Administrative Code Part 735, "Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Telephone Utilities in the State of Illinois"?

Yes, except for 83 Ill. Adm. Code 735.180 if the Commission grants the waiver requested in item 3 of the Application.

5. Who will provide customer repair service for your company?

Customer repair service will be provided by the incumbent LEC.

6. How many people does the company employ?

Applicant employs 170 people.

7. Will your company meet the requirements as they pertain to the Telephone Assistance Programs imposed by Sections 13.301 and 13.301.1 of the Illinois Public Utilities Act and 83 Illinois Administrative Code Part 757?

Yes.

8. Will your company solicit, collect, and remit the voluntary contributions from its telephone subscribers to support the Telephone Assistance Programs?

Yes.

9. Does your company plan on filing to become an Eligible Telecommunications Carrier?

Yes.

10. Does the company realize that it will not be able to receive any of the federal reimbursements for the Lifeline and Link Up Programs if it is not an eligible carrier?

Yes.

11. Will your company offer all of the waivers associated with the Universal Telephone Service Assistance Programs (UTSAP)?

Yes.

12. Will your company abide by the regulations as prescribed in 83 Illinois Administrative Code Part 755, "Telecommunications Access for Persons with Disabilities," 83 Illinois Administrative Code Part 756 "Telecommunications Relay Service," and Sections 13-703 of the Illinois Public Utilities Act?

Yes.

13. Will the company's billing system be able to distinguish between resale and facilities based service for the collection of the ITAC line charge?

Yes.

14. Has your company signed and return the Universal Telephone Assistance Corporation ("UTAC") and the Illinois Telecommunications Access Corporation ("ITAC") to Commission staff?

Yes. Applicant signed and returned the UTAC and ITAC in conjunction with its local resale application.

15. How does your company plan to solicit customers once it begins to provide local service?

Applicant will solicit local exchange customers through independent agents, through a small in-house sales force, and through mailings to present interexchange customers.

16. Has your company provided service under any other name?

Until August 1999, Applicant provided service under its legal name of PNG Telecommunications, Inc. Since then, Applicant has provided service under the fictitious name PowerNet Global Communications

17. Have any complaints or judgments been levied against the company? (Instate, out-of-state, or FCC).

Applicant has been the subject of a small number of complaints. These complaints are summarized in Attachment B.

9-1-1 Questions for Applicants Seeking Local Exchange Service Authority

1. Will your company ensure that 911 traffic is handled in accordance with the 83 Illinois Administrative Code Part 725 and the Emergency Telephone System Act?

Yes.

2. Will your company contact and establish a working relationship with the 911 systems when you begin to provide local telephone service?

Yes.

3. Will your company coordinate with the incumbent LEC(s) and local 911 systems to provide transparent service for your local exchange customers?

Yes.

4. Who will be responsible for building and maintaining the 911 database for your local exchange customers?

Applicant's provisioning manager will be responsible for building and maintaining the 911 database for Applicant's local exchange customers.

5. How often will your company update the 911 database with customer information?

Applicant's standard procedure will be to update the 911 database as part of the customer provisioning process. Therefore, the database will be updated every time a new customer is added.

6. Will your company's billing system have the ability to distinguish between facilities based and resale for the collection of the 911 surcharge?

Yes.

7. Does your company have procedures for the transitioning of the 911 surcharge collection and disbursement to the local 911 system?

Yes.

8. Will your company's proposal require any network changes to any of the 911 systems?

No.

9. Will your company be able to meet the requirements specified under Part 725.500(o) and 725.620(b) for the installation of call boxes?

As Applicant does not intend to install facilities of its own, it will use the central offices of the incumbent local exchange carriers that are already in compliance with the call box regulations.

10. Does your company plan to file for a waiver of Part 725.500(o) and 725.620(b) in the future?

Applicant does not intend to file for a waiver of the call box regulations because Applicant has no plans to install its own central office facilities.

Financial Questions for Applicants Seeking Local Exchange Service Authority

1. (Answer if requesting waiver of Part 710) What circumstances warrant a departure from the prescribed Uniform System of Accounts ("USOA")?

Applicant is a non-dominant carrier. As such it has been exempt from the USOA regulations of the FCC and the states. Applicant keeps its accounts in accordance with Generally Accepted Accounting Principles.

3. Will records be maintained in accordance with Generally Accepted Accounting Principles ("GAAP")?

Yes.

3. Will applicant's accounting system provide an equivalent portrayal of operating results and financial condition as the USOA?

Yes.

4. Will applicant's accounting procedures maintain or improve uniformity in substantive results as among similar telecommunications companies?

Yes.

5. Will applicant maintain its records in sufficient detail to facilitate the calculation of all applicable taxes?

Yes.

6. Does the accounting system currently in use by applicant provide sufficiently detailed data for the preparation of Illinois Gross Receipts Tax returns? What specific accounts or sub-accounts provide this data?

Yes. Applicant has been filing Illinois Gross Receipts Tax returns since 1995.

7. If a waiver of Part 710 is granted, will applicant provide annual audited statements for all periods subsequent to granting of the waiver?

Yes.

8. Does applicant agree that the requested waiver of Part 710 will not excuse it from compliance with future Commission rules or amendments to Part 710 otherwise applicable to the Company?

Yes.

9. Please attach a copy of applicant's chart of accounts.

See following page

Chart of Accounts

PNG Telecommunications, Inc.

<u>Account</u>	<u>Type</u>
1120 · Checking	Bank
1126 · Fifth Third CD	Bank
1180003 · *Accounts Receivable	Accounts Receivable
1180000 · Accounts Receivable	Other Current Asset
1180300 · Accts. Rec. Fifth Third	Other Current Asset
1185000 · Velocity Accounts Receivable	Other Current Asset
1186000 · Notes Rec. Virtual Network	Other Current Asset
1190 · Other Accounts Receivable	Other Current Asset
1190101 · PNG Employee Advance	Other Current Asset
1190106 · BTC Comm Advance	Other Current Asset
1190107 · ATI-Advance	Other Current Asset
1190300 · Advance Moses	Other Current Asset
1190301 · Advance McLelan	Other Current Asset
1190401 · Premier Internet Advance	Other Current Asset
1300000 · Taxes Refundable	Other Current Asset
1350010 · W/C Deposit	Other Current Asset
1350020 · Deposit Lumley Group	Other Current Asset
1350021 · Deposit Tennis Cincinnati	Other Current Asset
1350031 · Deposit SMS/800	Other Current Asset
1350032 · Deposit Millennium TPV	Other Current Asset
1350041 · Deposit Coney Island	Other Current Asset
1350042 · Deposit Receptions	Other Current Asset
1350070 · IXC-Broadwing Security Deposit	Other Current Asset
1350090 · Deposit Rent Oberer-TCC	Other Current Asset
1350100 · Deposit Steinmeier Attorney	Other Current Asset
1350140 · Prepaid Taxes	Other Current Asset
1350141 · Prepaid Gateway Comm	Other Current Asset
1350150 · Prepaid Expense	Other Current Asset
1350160 · Deposit Watkins Ludlam Winter	Other Current Asset
1350161 · Deposit Auto	Other Current Asset
1350162 · Deposit Health Insurance	Other Current Asset
1350163 · Retainer Howard & Howard, Attys	Other Current Asset
1360 · Deferred tax asset	Other Current Asset
1499 · Undeposited Funds	Other Current Asset
1400 · Fixed Assets	Fixed Asset
1170 · State Tax Bond	Other Asset
1173 · Frontier Letter of Credit	Other Asset
2000 · Accounts Payable	Accounts Payable
2050 · Credit Card	Credit Card
2001 · State Tax Liability	Other Current Liability
2002 · Anticipated Invoice	Other Current Liability
2003 · A/P Balance Fwd	Other Current Liability
2004 · Unclaimed Property	Other Current Liability
2005 · Anticipated Payroll Expense	Other Current Liability
2006 · Inter Company Account	Other Current Liability
2007 · Reserve Debit Card Income	Other Current Liability

Chart of Accounts

PNG Telecommunications, Inc.

<u>Account</u>	<u>Type</u>
2008 · Fifth Third Credit Line	Other Current Liability
2009 · Deposit BNB Global	Other Current Liability
2010 · Deposit Fusion Net	Other Current Liability
2011 · Deposit First State Map & Globe	Other Current Liability
2012 · Deposit Powercom	Other Current Liability
2013 · Deposits Agents V V Millenium	Other Current Liability
2100 · Payroll Liabilities	Other Current Liability
2200 · Sales Tax Payable	Other Current Liability
2310 · Current Portion Long Term Debt	Other Current Liability
2320 · Accrued Comm-Meyer/Teletech	Other Current Liability
2350 · Federal Excise Tax Payable	Other Current Liability
2351 · State Sales Tax	Other Current Liability
2352 · Federal Income Tax	Other Current Liability
2353 · State Income Tax Payable	Other Current Liability
2355 · Universal Service Fund	Other Current Liability
2008001 · Fifth Third Link Loan	Long Term Liability
2300 · Loan Payable	Long Term Liability
3000 · Opening Bal Equity	Equity
3100 · Common Stock Class A	Equity
3110 · Common Stock Class B	Equity
3900 · Retained Earnings	Equity
4050 · Sales	Income
4050 · Sales:4053 · Sales PNG	Income
4050 · Sales:4053 · Sales PNG:4010 · Fees	Income
4050 · Sales:4053 · Sales PNG:4010 · Fees:4118000 · Universal Service Fee	Income
4050 · Sales:4053 · Sales PNG:4053006 · LEC Bill Expense	Income
4050 · Sales:4053 · Sales PNG:4053010 · Debit Card Sales	Income
4050 · Sales:4053 · Sales PNG:4112000 · Base Charges	Income
4050 · Sales:4053 · Sales PNG:4113000 · Call Charges	Income
4050 · Sales:4053 · Sales PNG:4113000 · Call Charges:4113001 · Unbilled Call Revenue	Income
4050 · Sales:4053 · Sales PNG:4115000 · Service Charges	Income
4050 · Sales:4053 · Sales PNG:4115001 · Point to Point/Frame Relay	Income
4050 · Sales:4053 · Sales PNG:4115002 · Returned Check Fee	Income
4050 · Sales:4053 · Sales PNG:4115003 · Loop Charges	Income
4050 · Sales:4053 · Sales PNG:4116000 · PIC Line Fees	Income
4050 · Sales:4053 · Sales PNG:4117000 · Sign-Up Fees	Income
4050 · Sales:4053 · Sales PNG:4181000 · Discounts	Income
4050 · Sales:4053 · Sales PNG:4421000 · Finance Charges	Income
4050 · Sales:4053 · Sales PNG:5120 · Long distance private network	Income
4050 · Sales:4053 · Sales PNG:5120 · Long distance private network:5120001 · T-1 Installati	Income
4050 · Sales:4119000 · Internet Fees	Income
4057 · USBI Sales	Income
4060 · Equipment Sale	Income
4061 · NTA/Broadwing Income	Income
4063 · Interest/Fees Advance	Income
4069 · Sale Asset Gain/Loss	Income

Chart of Accounts

PNG Telecommunications, Inc.

<u>Account</u>	<u>Type</u>
4070 · Interest Earned	Income
5065 · Payphone charges	Cost of Goods Sold
5067 · Equipment Cost of Goods	Cost of Goods Sold
5050 · Cost of Goods Sold	Expense
6020 · Advertising	Expense
6020 · Advertising:6020001 · Advertising Agent Shared	Expense
6030 · Alarm Monitoring	Expense
6050 · Automobile Expense	Expense
6060 · Bank Service Charges	Expense
6061 · BXI Monthly Fee	Expense
6063 · Credit Card Charge	Expense
6064 · Set-up Fees	Expense
6066 · Business Meeting	Expense
6067 · Business Gift	Expense
6068 · Flowers & Gifts	Expense
6100 · Cash Discounts	Expense
6140 · Contributions	Expense
6141 · Data Reproduction/Protection	Expense
6150 · Depreciation Expense	Expense
6160 · Dues and Subscriptions	Expense
6161 · Employee Clothing	Expense
6162 · Employee Function	Expense
6180 · Insurance Benefits	Expense
6182 · Customer Satisfaction	Expense
6185 · Liability Insurance	Expense
6200 · Interest Expense	Expense
6221 · Trade Show Registration	Expense
6230 · Licenses and Permits	Expense
6231 · Public Utilities Application Ex	Expense
6238 · Employee Fitness Improvement	Expense
6239 · Equipment Lease	Expense
6240 · Miscellaneous	Expense
6242 · Temporary Employee Fee	Expense
6243 · Credit Report Co. Fee	Expense
6244000 · Collection Company Fee	Expense
6245 · Bad Debt Expense	Expense
6246 · Penalties	Expense
6247 · Over/Short	Expense
6251 · Training Seminar	Expense
6252 · Education Fees	Expense
6253 · Tuition Reimbursement	Expense
6470 · Financing Setup Fee	Expense
6480 · Financing Fees	Expense
6481 · Late Fee	Expense
6531 · Moving Expense	Expense
6550 · Office Supplies	Expense

Chart of Accounts

PNG Telecommunications, Inc.

<u>Account</u>	<u>Type</u>
6555 · Sales Expenses	Expense
6560 · Payroll Expenses	Expense
6580 · Payroll Taxes	Expense
6607 · Payroll Processing Fee	Expense
6607001 · 401K Administration Fee	Expense
6609 · Commissions Earned	Expense
6610 · Postage & Delivery	Expense
6620 · Printing and Reproduction	Expense
6640 · Professional Fees/Consulting	Expense
6670 · Customer Rebate	Expense
6680 · Recruiting	Expense
6681 · Relocation Costs	Expense
6690 · Rent	Expense
6691 · Switch Housing	Expense
6710 · Repairs	Expense
6759 · Resporg Expense	Expense
6820 · Taxes	Expense
6821 · Universal Service Fee	Expense
6822 · Federal NECA payments	Expense
6823 · LNP payments	Expense
6880 · Telephone	Expense
6900 · Travel	Expense
6940 · Utilities	Expense
6999 · Uncategorized Expenses	Expense

Prepaid Service Questions for Applicants Seeking Local Exchange Service Authority

APPLICANT WILL NOT PROVIDE PREPAID LOCAL EXCHANGE SERVICE.

1. Will customers have the ability to sign up with any long distance company they choose?
2. Will customers have the ability to use dial around long distance companies?
3. Does the applicant have interexchange authority in Illinois? If yes, please provide the docket number.
4. Will customers have access to the Illinois Relay Service?
5. Will customers be able to make 1-800 calls for free?
6. Will the Company offer operator services?
7. Please describe how applicant plans to collect the monthly fee to be paid in advance.
8. Will customers' monthly bills show a breakdown of services, features, surcharges, taxes, etc.?
9. Will customers pay an installation fee? If yes, will payment arrangements be offered for the installation fee?
10. Will telephone service be in the Company's name or the customer's name. If in the Company's name how will information appear in data bases, such as 9-1-1, directory assistance, etc.?
11. Will applicant offer prepaid service as a monthly service or as a usage service?
12. Will applicant provide a warning when the remaining value of service is about to cease?
13. Is the customer given more than one notice of the remaining value of service?
14. How much advance notice is given to the customer of the remaining value of service?
15. If the customer is in the middle of a call will they be disconnected when the remaining value of service has expired?
16. Has the customer been made aware of potentially being disconnected during a call when the remaining value of service expires?
17. When does the timing of a call start?
18. If the person called does not answer, is any time deducted from the customer's account?
19. Will there be any other instances in which the Company would disconnect a customer, other than running out of prepaid time?
20. When a customer runs out of time is their phone immediately disconnected or on suspension? (Will they still be able to receive calls?)
21. Are applicant's services available to TTY callers?
22. How will the applicant handle a complaint from a customer who disputes the amount of time used or

remaining?

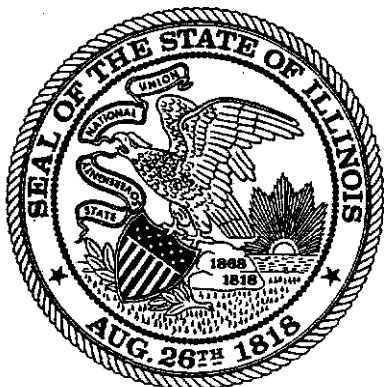
23. The Public Utilities Act requires a local calling area that has no time or duration charges. How will the Company define each customer's untimed local calling area?

State of Illinois
Office of
The Secretary of State

Whereas, APPLICATION FOR CERTIFICATE OF AUTHORITY TO TRANSACT
BUSINESS IN THIS STATE OF
PNG TELECOMMUNICATIONS INC.
INCORPORATED UNDER THE LAWS OF THE STATE OF OHIO HAS BEEN FILED IN
THE OFFICE OF THE SECRETARY OF STATE AS PROVIDED BY THE BUSINESS
CORPORATION ACT OF ILLINOIS, IN FORCE JULY 1, A.D. 1984.

Now Therefore, I, George H. Ryan, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this certificate and attach hereto a copy of the Application of the aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, at the City of Springfield, this 30TH day of MAY A.D. 19 95 and of the Independence of the United States the two hundred and 19TH.



George H Ryan

Secretary of State

Form **BCA-13.15**

(Rev. Jan. 1995)

APPLICATION FOR CERTIFICATE
OF AUTHORITY TO
TRANSACTION BUSINESS IN ILLINOIS**SUBMIT IN DUPLICATE!**George H. Ryan
Secretary of State
Department of Business Services
Springfield, IL 62756
Telephone (217) 782-1834

This space for use by Secretary of State

FILED

MAY 30 1995

GEORGE H. RYAN
SECRETARY OF STATEThis space for use by
Secretary of StateDate 5-30-95

License Fee	\$	
Franchise Tax	\$	83.33
Filing Fee	\$	105.00
Penalties	\$	362.75
Approved: <u>JKK</u>		551.08

Payment must be made by
certified check, cashier's check,
Illinois attorney's check, Illinois
C.P.A.'s check or money order,
payable to "Secretary of State."1. (a) CORPORATE NAME: PNG Telecommunications Inc.

(Complete item 1 (b) only if the corporate name is not available in this state.)

(b) ASSUMED CORPORATE NAME: None

(By electing this assumed name, the corporation hereby agrees NOT to use its corporate name in the transaction of business in Illinois. Form BCA 4.15 is attached.)

2. (a) State or Country of Incorporation: Ohio(b) Date of Incorporation: October 19, 1992(c) Period of Duration: Perpetual

3. (a) Address of the principal office, wherever located:

(b) Address of principal office in Illinois:

(If none, so state)

8116 TimbertreeNoneWest Chester, OH 45069

4. Name and address of the registered agent and registered office in Illinois.

Registered Agent LawrenceMoses

First Name

Middle Name

Last Name

Registered Office 8609West 91st Street

Number

Street

Suite #

Hickory Hills60457Cook

City

Zip Code

County

5. States and countries in which it is admitted or qualified to transact business: (Include state of incorporation)

Ohio, Missouri, Florida

6. Names and residential addresses of officers and directors:

Name	No. & Street	City	State	Zip
President <u>Bernard Stevens</u>	<u>8116 Timbertree</u>	<u>West Chester</u>	<u>OH</u>	<u>45069</u>
Secretary <u>Roberta Stevens</u>	<u>8116 Timbertree</u>	<u>West Chester</u>	<u>OH</u>	<u>45069</u>
Director <u>NONE</u>				
Director				
Director				

If more than 3, attach list

7. Purpose or purposes proposed to be pursued in transacting business in this state:

(If not sufficient space to cover this point, add one or more sheets of this size.)

Resale of interexchange telecommunication services.

8. Authorized and issued shares:

Class	Series	Par Value	Number of Shares Authorized	Number of Shares Issued
Common		None	100	100

9. Paid-in Capital: \$ 100

("Paid-in Capital" replaces the terms Stated Capital & Paid-in Surplus and is equal to the total of these accounts.)

10. (a) Give an estimate of the total value of all the property* of the corporation for the following year:

\$ 350,000

(b) Give an estimate of the total value of all the property* of the corporation for the following year that will be located in Illinois:

\$ 0

(c) State the estimated total business of the corporation to be transacted by it everywhere for the following year:

\$ 1,500,000

(d) State the estimated annual business of the corporation to be transacted by it at or from places of business in the State of Illinois:

\$ 120,000

11. Interrogatories: (Important - this section must be completed.) See Attachment A

** (a) Office or offices to which all contracts with the corporation are forwarded for final acceptance:

(b) Number of shares of all classes owned by residents of Illinois:

(c) Number of shares of all classes owned by non-residents of Illinois:

(d) Is the corporation transacting business in this state at this time?

(e) If the answer to item 11(d) is yes, state the exact date on which it commenced to transact business in Illinois:

12. This application is accompanied by a certified copy of the articles of incorporation, as amended, duly authenticated, within the last ninety (90) days, by the proper officer of the state or country wherein the corporation is incorporated.

13. The undersigned corporation has caused this statement to be signed by its duly authorized officers, each of whom affirms, under penalties of perjury, that the facts stated herein are true. (All signatures must be in **BLACK INK**.)

Dated April 7, 1995

PNG Telecommunications, Inc.

(Exact Name of Corporation)

attested by

Roberta Stevens

by

Bernard Stevens

(Signature of Secretary or Assistant Secretary)

(Signature of President or Vice President)

Roberta Stevens, Vice-President

Bernard Stevens, President

(Type or Print Name and Title)

(Type or Print Name and Title)

* PROPERTY as used in this application shall apply to all property of the corporation, real, personal, tangible, intangible, or mixed without qualifications.

** When the response to #11(a) lists ONLY an Illinois address, then the total business as reflected in #10(c) is also considered to be Illinois business for the purpose of computing the Illinois allocation factor. By signing this application, the corporation affirms that it is aware that the amount of paid-in capital, and consequently the amount of license fees and franchise taxes, may be proportionately higher due to the Illinois address shown under #11(a).

PNG TELECOMMUNICATIONS
Application for Certificate of Authority
to Transact Business in Illinois
Attachment A
Interrogatories

- (a) All contacts with the corporation should be forwarded to:

PNG Telecommunications
8116 Timbertree
West Chester, Ohio 45069
(800) 860-9495

- (b) No shares of PNG Telecommunications are owned by any resident of Illinois.
- (c) One hundred shares of PNG Telecommunications, all of the shares issued and outstanding, are owned by Bernard Stevens, the company's president and a resident of Ohio.
- (d) Yes.
- (e) The company has been providing telecommunications services in Illinois since January of 1993. PNG Telecommunications' only contacts with the State have been through independent contractors who market the company's services.

Prescribed by
Sec. 141, Secretary of State
30 East Broad Street, 14th Floor
Columbus, Ohio 43260-4118
Form AFP (December 1980)

Approved	_____
Date	10/15/92
Fee	7.35

H0458-1624

98100001001

ARTICLES OF INCORPORATION

(Under Chapter 1701 of the Ohio Revised Code)
Profit Corporation

The undersigned, desiring to form a corporation, for profit, under Sections 1701.01 et seq. of the Ohio Revised Code, do hereby state the following:

FIRST. The name of said corporation shall be P.L.G. TELECOMMUNICATIONS INC.

SECOND. The place in Ohio where its principal office is to be located is
WEST CHESTER - UNION TOWNSHIP, BUTLER County, Ohio.
(city, village or township)

THIRD. The purpose(s) for which this corporation is formed is:

RESALE OF LONG DISTANCE SERVICES

H0458-1625

FOURTH. The number of shares which the corporation is authorized to have outstanding is: 100
(Please state whether shares are common or preferred, and their par value, if any. Shares will be recorded
as common with no par value unless otherwise indicated.) COMMON - NO PAR VALUE

IN WITNESS WHEREOF, we have hereunto subscribed our names, this 9th day of
SEPT. 19 92

By: B Stevens Incorporator
BERNARD STEVENS

By: _____ Incorporator

By: _____ Incorporator

Print or type incorporators' names below their signatures.

INSTRUCTIONS

1. The minimum fee for filing Articles of Incorporation for a profit corporation is \$75.00. If Article Fourth indicates more than 750 shares of stock authorized, please see Section 111.16 (A) of the Ohio Revised Code or contact the Secretary of State's office (614-465-3910) to determine the correct fee.
2. Articles will be returned unless accompanied by an Original Appointment of Statutory Agent. Please see Section 1701.07 of the Ohio Revised Code.

NO458-1626

ORIGINAL APPOINTMENT OF STATUTORY AGENT

The undersigned, being at least a majority of the incorporators of PNG TELECOMM-
UNICATIONS INC. (name of corporation), hereby appoint
BERNIE STEVENS (name of agent) to be statutory agent upon whom any
process, notice or demand required or permitted by statute to be served upon the corporation may
be served. The complete address of the agent is:
8116 TIMBERTREE (street address)
WEST CHESTER (city), Ohio 43081 (zip code)

NOTE: P.O. Box addresses are not acceptable.

(Incorporator)

(Incorporator)

(Incorporator)

ACCEPTANCE OF APPOINTMENT

The undersigned, BERNIE STEVENS (name of agent), named herein as the statutory agent for
PNG TELECOMMUNICATIONS INC (name of corporation), hereby acknowledges and accepts the
appointment of statutory agent for said corporation.

Statutory Agent

INSTRUCTIONS

- 1) Profit and non-profit articles of incorporation must be accompanied by an original appointment of agent. R.C. 1701.07(B), 1702.06(B).
- 2) The statutory agent for a corporation may be (a) a natural person who is a resident of Ohio, or (b) an Ohio corporation or a foreign profit corporation licensed in Ohio which has a business address in this state and is explicitly authorized by its articles of incorporation to act as a statutory agent. R.C. 1701.07(A), 1702.06(A).
- 3) An original appointment of agent form must be signed by at least a majority of the incorporators of the corporation. R.C. 1701.07(B), 1702.06(B). These signatures must be the same as the signatures on the articles of incorporation.

* As of October 8, 1992, R.C. 1701.07(B) will be amended to require acknowledgement and acceptance by the appointed statutory agent.

Complaint Log

Customer Name	Customer Acct	Jurisdiction	Agency	Complaint Date	Complaint	Response Date	Response	Person Responding
Taylor Trucking	NCM2*426	TN	Regulatory Authority	05/14/01	Slamming	05/24/01	Provided service for year and customer paid invoices. Never questioned the fact we were provider. Explained we switched customers from Broadwing to Qwest and offered to pay switching fees.	Stacy Lewis
Mezzacapo, Theresa	AMO1*1395	PA	Attorney General	05/11/01	Slamming	05/21/01	AMO customer with no usage we accidentally switched when AMO was deactivated and reactivated. Customer never did contact us. She was disconnected for nonpayment.	Stacy Lewis
Martinez, Paul		TN	Regulatory Authority		Slamming	05/18/01	Sent copy of LOA. 5/28/01 spoke with Lisa Foust of TRA. This LOA is not Mr. Martinez. She said to issue credits and cancel account. Credits issued and check sent.	Stacy Lewis
Newton, Phillip	AMO1*2915	Federal	FCC	05/03/01	Slamming	05/15/01	Customer switched service without notifying us. When we switched customers from Broadwing to Qwest he was switched. Credits issued and	Stacy Lewis
Newton, Phillip	AMO1*2915		Cincinnati Better Business Bureau	03/23/01	Slamming	05/15/01	Customer switched service without notifying us. When we switched customers from Broadwing to Qwest he was switched. Credits issued and	Stacy Lewis
Weidner, Teresa	SGM64*81	TN	Regulatory Authority	04/27/01	Slamming	05/15/01	Customer signed up through SGMA. Gave information to access third party verification. Offered to switch customer to Lifeline.	Stacy Lewis

Complaint Log

Customer Name	Customer Acct	jurisdiction	Agency	Complaint Date	Complaint	Response Date	Response	Person Responding
Nightingale, Juliet		Federal	FCC	04/18/01	Problems with other carriers	05/11/01	Confirmed she was customer and we had a note regarding her problems with the other carriers. Customer had disconnected her account with us.	Stacy Lewis
Snyder, Roger	VGE*3080	Federal	FCC	04/26/01	Slamming	05/03/01	LOA was for 800#. We switched 1+. Issued credit and sent check for switching fees.	Margot Rice
Stronhauer, Gary	USS0511573	FL	PSC	03/06/01	Slamming	04/23/01	LDC listed customer as active, therefore, we switched him. Per a letter from customer, we disconnected and issued credits and a check for switching fees	Stacy Lewis
Stallworth, Gwen	GST2*28	Federal	FCC	03/28/01	Bad rate	04/23/01	We did set up account with wrong rate. Rate changed and credit issued.	Stacy Lewis
Bradshaw, C. Michael		MD	PSC	04/16/01	Slamming	04/21/01	Margot spoke with customer. He was only unhappy with \$35 NASC fee. Credit issued.	Margot Rice
Cathey, Laurel	SPM8386898	Federal	FCC	03/07/01	PICC fees for churches	04/06/01	Explained we pay the PIC charges and therefore we charge the customer	Stacy Lewis
Olah, Janet		CT	PUC	03/22/01	Slamming	04/03/01	Margot call customer and explained we switched her carrier. Customer understood. Stacy spoke with Allison and per her, it was closed	Stacy Lewis
Hohman, Sherri		IL	Commerce Commission	03/19/01	Slamming her intralata	03/28/01	We switched intra in error. When she tried to go back to old plan, LEC wouldn't let her because she switched away. We gave her same rates as her old intra plan and she is happy.	Margot Rice
Kowalski, Patricia		WI	PSC	03/20/01	Slamming	03/26/01	AMO customer. Ignored letters Credit issued and check sent. Per Mr. Greffin, complaint is closed.	Stacy Lewis

Complaint Log

Customer Name	Customer Acct	Jurisdiction	Agency	Complaint Date	Complaint	Response Date	Response	Person Responding
Allen, Debra Kay	AMO1*813	Federal	FCC	02/23/01	Slamming	03/23/01	AMO customer with no usage we accidentally switched when AMO was deactivated and reactivated. Credit issued and	Stacy Lewis
Cather, Denise		MI	PSC	03/13/01	Slamming	03/17/01	Explained we switched from Global to Qwest. Issued credit for switching fee.	Margot Rice
Storr, Howard	SGM2*18	FL	PSC	02/14/01	Slamming	03/16/01	Signed up with us and self pic'd in August. We didn't pick up account until late October and customer was LEC billed by Qwest. Rerated Qwest bills and issued credit	Stacy Lewis
Wall, James	SKY*49	FL	PSC	03/13/01	Slamming	03/14/01	Customer was confused when we switched underlying carrier from Global Crossing to Qwest. He had pic freeze, we called and asked him to self pic. He said he no longer wanted our service; we disconnected. He called a week later and said he wanted our service. Issued \$10 credit to cover switching fees.	Margot Rice
Folker, Jan	USS0507630	FL	PSC	03/13/01	Slamming		LDC listed customer as active, therefore, we switched him. Per a letter from customer, we disconnected and issued credits and a check for switching fees	
Sergy, Sam	PVT*8688	FL	PSC	03/12/01	Slamming	03/12/01	Customer switched service without notifying us. When we switched customers from Global Crossing to Qwest he was switched. Credits issued and	Margot Rice
Perez, Sylvia J. Olgwin	ITV2*164	Federal	FCC	02/07/01	Rates and billing	03/08/01	Customer was signed up for a prison program. Explained how it was being billed.	Stacy Lewis

Complaint Log

Customer Name	Customer Acct	jurisdiction	Agency	Complaint Date	Complaint	Response Date	Response	Person Responding
Riley, Judy	MBC2*3867	AL	PSC	03/06/01	Slamming	03/06/01	Faxed LOA	Stacy Lewis
Pena, Beatrice		WI	PSC	02/14/01	Slamming	03/02/01	AMO customer with no usage we accidentally switched when AMO was deactivated and reactivated. Credit issued and	Stacy Lewis
McWhinnie, Cynthia R.	NTA-NC18	Federal	FCC	01/31/01	Qwest put 3 of her lines on wrong call plan. When she switched the back they gave her an unsatisfactory rate.	03/02/01	Current customer. She added 3 lines to her account on 10/9/00 and we began billing usage 10/10	Stacy Lewis
Sitek, Gerald		MI	PSC	02/26/01	Slamming	02/27/01	Customer did not understand the mass carrier switch.	Margot Rice
Gustafson, Paul D.	PVT*6087	Federal	FCC	01/24/01	Slamming by Frontieer	02/23/01	He is a customer and disconnected BTNon 7/6/00. We used Frontier as his carrier. We have only billed him for calling card since disconnect.	Stacy Lewis
Henderson, Mary	PNG28*49	Federal	FCC	01/16/01	Slamming intralata	02/16/01	Sent voice verification information and customer had closed account and we issued	Stacy Lewis
Schwietert, David	NTA-SDA4	SD	PUC	01/09/01	Slamming	02/08/01	NTA customer. Negotiating transfer w/ Braodwing. Negotiation failed and we never authorized transfer. Account credited in full.	Stacy Lewis
Donally, Lori	AMO1*2797	OH	PUC	01/31/01	Slamming	02/05/01	AMO customer with no usage we accidentally switched when AMO was deactivated and reactivated. Credit issued and	Margot Rice

Attachment C
Managerial and Technical Experience
Brief Resumes of Officers and Managers

Bernie Stevens

President and Chief Executive Officer

Mr. Stevens has been involved in the telecommunications industry for the last decade and is the founder of PNG Telecommunications, Inc. Recognizing the opportunity to resell long distance, Mr. Stevens founded PNG in 1992. Prior to his experience in the telecommunications industry he served as president and general manager for an electronics distribution company that sold electronics supplies to rental stores. Mr. Stevens also served as general and sales manager of various consumer electronics companies in the Midwest and California. Mr. Stevens has a wide range of experience including turnaround and sales management. Mr. Stevens has developed PNG and now serves as its President and CEO. His duties are to direct and manage the overall operations of PNG. Mr. Stevens provides strategic and operation guidance and appraises the effectiveness of the organization. Mr. Stevens negotiates with carriers and is responsible for new services offered to customers. Mr. Stevens is a member of ASCENT and actively involved in local charity foundations. Bernie is 54 years old. He attended Kent State University.

Larry Moses

Executive Vice President

Mr. Moses has been involved with sales, marketing, financing and negotiations in many areas of business. He has successfully built and trained large national sales forces in the telecommunications industry since 1988. In 1988, Mr. Moses played a vital role in the start-up of NTI, a large volume national pay phone company as an owner and was responsible for national sales. After the sale of NTI, Larry served as national sales manager for TLC and ITS national long distance companies. In 1993 Larry joined PNG as the director of sales. His primary responsibilities include recruiting and training sales agents and their networks. Mr. Moses negotiates programs with new agents and reviews orders for correct rate programs. Larry is 56 years old. He earned his Bachelor's degree in business management from Augustana College.

Michael McLelan

Vice President of Agent Sales

Mr. McLelan has been involved in the telecommunications industry since the divestiture of AT&T in 1984. Mr. McLelan played an integral part in the formation of Phone Club USA, one of the West Coast's largest interexchange telecommunications companies. He served as Executive Vice President. His duties were to oversee sales growth, agent development and wholesale carrier contract negotiations. Mr. McLelan was also active at WTG Telecommunications (World Telecom Group). Michael served as Senior Vice President and was responsible for agency development, development of WTG's prepaid calling card system, which was one of the largest renewable prepaid calling cards in the world. Mr. McLelan is an active member of ASCENT; he served four years as the Chairman of the Association's Pre-paid Services Council. Michael has been with PNG since November 1997. He now serves as Vice President of Agent Sales. His duties include coordinating PNG's relationships with existing independent sales agents, developing contacts with prospective sales agents and negotiating sales representative agreements with such agents. Michael is 52 years old. He has a Bachelor's degree in business management from the University of Hawaii.

Todd C. Pfister

Chief Operating Officer

Mr. Pfister has more than 12 years of comprehensive operations, financial and human resources management experience. At PNG, he develops the company's overall objectives; formulates plans/policies and allocates resources to achieve them; directs the activities of ten managers;

interprets/applies policies established by the board of directors; and develops/exercises appropriate control systems. Prior to joining PNG, he was Vice President of The Lumley Group, Inc., a Cincinnati-based financial and management consulting firm that serves as CFO, controller and/or business advisor for closely held businesses. Before that he served as Manager of Administration and Assistant to the Chairman/Treasurer for Valco Cincinnati, Inc. a 220-employee, international manufacturing company, where he successfully handled a wide range of operational, human resources, legal and other issues. Mr. Pfister earned a Bachelor's degree in Business Administration from Taylor University and an MBA from Xavier University.

Daniel R. Benedict
Chief Technical Officer

Mr. Benedict has more than 16 years of broad-based computer systems technical management and engineering experience. At PNG, he is responsible for directing all networking/hardware design and implementation, and providing leadership in network hardware applications development and operations. Specialties include: managing functional support groups and user support; installing/managing Novell file servers; developing/designing network infrastructure; managing remote dial-up access and network multi-protocol routings; developing/installing hardware system integration; and creating/managing a corporate Web site. Prior to joining PNG, he was a Network System Engineer for ITT A-C Pump, where he managed the development/support of a multi-server LAN/WAN that encompassed Novell Internetwork, an NTA Server, an OS/2 Server and 300 computer connections; he also developed software integration and communications solutions for AS/400 applications. Before that he worked with other major companies, including Reynolds & Reynolds, serving clients such as Procter & Gamble. He earned an Associate's degree in Applied Sciences from Cincinnati State Technical College and has completed numerous professional development courses in his field.

Basil J. Kanno
Chief Information Officer

Mr. Kanno has more than eight years of comprehensive information systems experience, with technical expertise across a wide range of operating systems, database management systems, programming languages and applications. At PNG, his responsibilities include ensuring that company infrastructure optimally supports its operations; developing/directing all systems design programming/procedures; and providing leadership in systems applications. Prior to joining PNG, he served as Senior Consultant with Ernst & Young, LLP, a leading integrated professional services firm, where he led a team of software engineers and systems analysts in the build-out initiatives of a strategic application and was integral in the system analysis/design of an industry standard preorder/order electronic gateway to interface with Incumbent Local Exchange Carriers (ILECs); both achievements were for a Tier I telecommunications company. Before that, he was Senior Systems Analyst for EXL Information Corp., a leader in delivering telecomm industry billing solutions. While there, he did strategic system development and data modeling for the next generation of their flagship product.

Dennis M. Packer
General Counsel

Mr. Packer has more than six years experience in the telecommunications industry working with carriers to ensure regulatory compliance and also providing counsel concerning general business and commercial law issues in the telecommunications industry. At PNG, Mr. Packer has overall responsibility for regulatory compliance and also oversees the legal aspects of PNG's relationships with its vendors, agents, customers and strategic partners. Prior to joining PNG, Mr. Packer was in private practice serving the legal needs of telecommunications carriers. Mr. Packer was also an associate at the noted Cincinnati firm of Brown, Cummins & Brown, specializing in business and commercial law, before leaving to establish his own telecommunications practice. Mr. Packer holds a Bachelors of Science from the University of Michigan and a JD from the University of Cincinnati College of Law. He is admitted to practice

before the Supreme Court of Ohio and the United States District Court for the Southern District of Ohio. Mr. Packer is member of the American Bar Association and the Federal Communications Bar Association.

Margot Rice

Customer Service Manager

Margot Rice is an experienced customer service manager having managed call centers for CVS and International Paper and for five years with MCI Worldcom. Ms. Rice manages PNG's continually growing customer service department to serve the needs of PNG's expanding customer base. All new PNG customer service representatives undergo an extensive training course designed by Ms. Rice before they are allowed to answer customer calls. Ms. Rice has a Bachelor's Degree from the University of Iowa and a MBA from St. Ambrose University in Cedar Rapids, Iowa.

Stacy Lewis

Tax Manager

Ms. Lewis has more than six years experience in the area of State and Local taxes and Sales and Use tax. At PNG, she manages the company's tax compliance efforts and oversees the timely preparation and filing of all sorts of tax returns and reports including federal excise tax, state and local sales and use taxes, gross receipts taxes, franchise taxes, personal property taxes, universal service and telecommunications relay service returns and all other returns and reports required by the FCC, state utilities commissions and Secretaries of State. Prior to joining PNG, Ms. Lewis worked in the Tax Department of Cincinnati-based Chemed Corporation, a national provider of essential services to homeowners and businesses. Ms. Lewis holds a Bachelor's of Science in Business Administration from Ohio State University and a JD from the Salmon P. Chase College of Law. She is admitted to practice before the Supreme Court of Ohio.

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